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Evaluation

Annual report of the Administrator on evaluation 2001*

Summary

The present report on evaluation, covering the period from July 2001 to June 2002, details the progress made by the organization in the areas of effectiveness, performance and substantive accountability. It begins with an examination of the progress made in development performance assessment, substantive accountability, knowledge and learning and partnerships. It also provides key performance results from two main sources of empirical evidence: UNDP corporate-level evaluations and completed evaluations from its associated funds and programmes. It also frames future strategic directions for the evaluation functions to meet the challenges of the Millennium development goals (MDGs) and the International Conference on Financing for Development held in Monterrey.

The emphasis for UNDP in the last few years has been on introducing, aligning, internalizing and simplifying results-based management, with a focus on enhancing the organization's performance and its development effectiveness. The evaluation function, consequently, has responded to the organization's emphasis on results by ensuring that evaluation drives decision-making and provides the means to measure effectiveness and substantive accountability. The MDGs, however, and the post-Monterrey context present new challenges, which call for greater framing, measuring and evaluation of results.

The report raises the following four key elements on which the Administrator invites the Board to take note: (a) the need to reinforce development effectiveness, which demands greater emphasis on measuring performance, enhancing performance

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and sharing accountability; (b) the need to strengthen national evaluation capacities in light of the MDGs; (c) the need to strengthen further, in an integrated fashion, the culture of managing for results within UNDP; and (d) the need to ensure the organization's continuing commitment to lessons-learning in line with its vision of connecting countries to knowledge and experience.

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Introduction

1. In recent years, the evaluation function in UNDP has responded to the organization's emphasis on results by seeking to ensure that evaluation drives decision-making and provides the means to measure effectiveness, performance and substantive accountability. Although substantial progress has been made in developing and operationalizing systems, the organization faces new challenges in measuring progress towards the Millennium development goals (MDGs). By raising the profile of results and performance as criteria for aid selectivity, the recent International Conference on Financing for Development (ICFD), held from 18 to 22 March 2002 in Monterrey, Mexico, has significantly enhanced the need for and strategic significance of evaluation.

2. For UNDP, these new challenges demand greater development impact, measuring progress towards key results and learning from progress or lack thereof to make better decisions and be more accountable. In essence, the challenge is to strike a balance between organizational and development effectiveness.

3. This report, covering the period from July 2001 to June 2002, presents the progress made by the organization in the areas of effectiveness, performance and substantive accountability. It begins with an examination of the progress made in development performance assessment, knowledge and learning, and partnerships. It then provides substantive performance results from two main sources of empirical evidence: key UNDP corporate-level evaluations and completed evaluations from its associated funds and programmes. Finally, it frames future strategic directions for the evaluation functions to meet the MDG and post-Monterrey challenges.

I. Part one. Performance assessment and development effectiveness

A. Assessing development performance

4. Phrases such as "managing for results" and "development effectiveness" have emerged as dominant concerns of the development community. In both areas, UNDP has made considerable progress. Since its introduction in 1999, results-based management (RBM) has become a key organizing principle for the organization. The results-oriented annual report (ROAR) assesses the organization's progress in relation to organizational goals and sub-goals as presented in the SRF. The multi-year funding framework report (MYFFR), to be presented in 2003, will take stock of the contribution made by UNDP in relation to the SRF and intended outcomes. While the information provided for the ROAR is based in part on assessments by country offices and relevant programme units based on indicators, the development effectiveness report (DER) prepared by the Evaluation Office serves a complementary function by assessing development performance from a more independent perspective and focusing on questions of impact. Drawing on the findings of independent evaluators, the DER seeks to point to the real value added and difference that UNDP makes in people's lives.

5. The DER draws upon the assessments made by independent evaluators on the efficiency, effectiveness and relevance of UNDP interventions. Based on an analysis

of 1,500 project and programme evaluations conducted between 1987 and 2000, the DER 2001 presents UNDP-specific data drawing upon the assessments of independent evaluators to make informed judgements on the organization's performance. The data required for a comprehensive assessment of UNDP development effectiveness remains limited, however, in light of the reliance on project evaluations. Project-level data are an essential but ultimately insufficient basis for determining the development effectiveness of an organization.

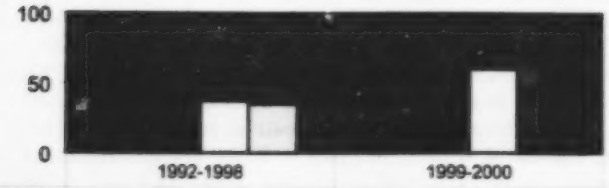
At the macro level

6. As reflected in the DER 2001, by all key measures the performance of UNDP has improved. In terms of relevance, the number of UNDP projects deemed relevant has increased. A full 80 per cent of the projects evaluated between 1992 and 1998 and 87 per cent of those evaluated between 1999 and 2000 were considered relevant to the mission of the institution and to the interests of target groups and direct beneficiaries.

7. The analysis of UNDP projects evaluated in 1999 and 2000 yields positive results in terms of efficiency and effectiveness. Under the organization's new results-centred orientation, improving the effectiveness of projects is even more important. Effectiveness measures the extent to which a project or programme has achieved its objectives and results, independent of the costs required for it. A comparison between the projects evaluated in 1999 and 2000 and those evaluated between 1992 and 1998 reveals an increase in the percentage of effective projects, which constitute 60 per cent of the total. It is also significant that the 1992-1998 cluster had a very high proportion (35 per cent) of non-responses to this particular question.

Figure 1

Project effectiveness
(Percentage by evaluation year)



	1992-1998	1999-2000
Not effective	9	17
Partially effective	19	22
Effective	37	60
NA/No response	35	1

8. The measure of project success in the DER was limited to assessing the effects of projects on target groups, the environment and gender, the sustainability of projects and their contribution to institution-building. Almost all projects evaluated

in the last two years had a positive impact on target groups. The percentage of projects having a positive impact on the environment increased substantially in 1999-2000 to 47 per cent. The percentage of projects having a positive impact on gender has increased from 30 to 37 per cent during the same period. A full 86 per cent of the projects evaluated in 1999 and 2000 achieved at least full or partial sustainability.

9. At the same time, some weaknesses are noted. Progress is needed, for example, in the area of institution-building. Some 25 per cent of the projects recently evaluated made only a weak contribution to institution-building.

10. The focus of the DER 2001 is not only on project performance but equally on two thematic questions: the significance of ownership as a variable in reaching development outcomes; and identifying ways to enhance the upstream policy impact of UNDP interventions. The assessment is based on 160 project and programme evaluations carried out during 1999 and 2000 and 10 cross-cutting strategic or thematic studies.

11. The 1999 and 2000 evaluations indicated that UNDP has become increasingly sophisticated in its approach to promoting national ownership. The evaluators highlighted various ways in which UNDP appears to be nurturing a stronger and sustained sense of national and local ownership of critical development policies and programmes. These include vigorous UNDP promotion of dialogue with national authorities, the newfound prominence of national human development reports (NHDR) and consensus-building by organizing events that bring key stakeholders together on development issues. The DER 2000 presents data that support the conclusion that ownership of programmes or projects by Governments is a prerequisite for success. The evaluations and strategic studies carried out in 1999 and 2000 also cite numerous examples of successful upstream assistance. At the same time, the exact developmental impact of upstream interventions is often difficult to attribute directly to UNDP, a situation resulting in part from the fact that many of the organization's recent upstream interventions have not yet been adequately evaluated. The evaluative evidence confirms that although a shift in UNDP assistance to greater emphasis on upstream assistance is taking place, there is room for improvement — particularly in strengthening the linkages between UNDP upstream (policy) work and its downstream (project) interventions.

At the country level

12. As reported to the Executive Board at its second regular session 2001, the custodianship for country reviews was transferred to the Evaluation Office as an independent office and five country reviews were piloted using a new results-driven methodology by the Evaluation Office in Fiji, India, Jordan, Kenya, and Sudan. In addition, 35 country reviews were carried out as previously planned and the Evaluation Office undertook a global analysis of these reviews.

13. The global analysis confirms that UNDP plays an important role in development processes and in special development situations, supporting key initiatives at the policy level and on the ground in areas that are relevant to national priorities and to UNDP corporate goals. UNDP programme performance is generally satisfactory, with progress made in the achievement of planned outputs in thematic or strategic areas. Progress towards the achievement of outcomes, however, is not fully evident as yet from the country reviews. The ROAR 2001 analysis, confirms

this (see DP/2002/15; the full text is available on the Executive Board web site at www.undp.org/execbrd/index.htm).

Country-level impact assessments (CLIA)

In 1999, a series of three pilot studies on country-level impact assessments (CLIA) were launched in Burkina Faso, Malawi and the Philippines to assess the overall impact of UNDP programmes in a given period, while pilot testing the efficacy and relevance of a new participatory methodology on impact assessment. The three-year learning process has been completed. The findings definitely demonstrate that by using the triangulation methods CLIAs can yield substantive, useful information and knowledge regarding the effectiveness and usefulness of UNDP interventions. While confirming the importance and relevance of impact assessments, however, the studies raise questions regarding the methodological challenges.

The costliness of data collection and aggregation and the issue of attribution also pose serious problems with respect to efficiency and relevance. The experience also pointed to the value added and how to balance the need for real-time feedback to decision makers against the long-range view that CLIAs provide. Issues raised include defining what to measure and how to measure rigorously and validate the findings in a credible way. These findings and experience gained through the CLIA will enrich the methodology being developed for the assessment of development results.

14. The country reviews further demonstrated that despite the introduction of RBM challenges remain — programmes still tend to be project driven and interventions, altnough relevant to national priorities, are scattered, unfocused and unsustainable. The obvious lesson for future programming is the need for streamlining, greater selectivity and target-setting, which the ROAR 2001 also confirms by demonstrating the need to decrease the number of outputs.

15. The country reviews confirmed that in conflict situations UNDP has demonstrated its unique comparative advantage through its flexibility, impartiality and multilateralism. The country reviews for Fiji and the Solomon Islands, in particular reflected the role of UNDP in conflict management and peace-building while that for Indonesia pointed to election-process support.

16. These lessons facilitated the simplification of programming, reporting and review instruments that emphasize development results. The function of country reviews, in extracting lessons from the past and laying the basis for future programming, is now integral to the new streamlined and participatory process of programming. Another role of the old country reviews was to independently assess UNDP progress in the country concerned, which will now be undertaken by selective independent, in-depth evaluations of development results. These assessments of development results, undertaken yearly in a limited number of

countries, will be made available to Executive Board members, as is currently the case with other reports from the Evaluation Office.

At the outcome level

17. A major change in the new monitoring and evaluation framework is the shift towards outcome monitoring and evaluation (see http://www.undp.org.eo). Traditionally, monitoring and evaluation focused on assessing inputs and implementation processes and was project/programme based. The challenge is to link performance with outcomes — with rigorous and credible assessments of progress towards and achievement of outcomes — or development change between the levels of output and impact. The focus is on assessing the contributions of various factors to a given development outcome. Such factors include the context in a given country, the partnership strategy UNDP employs, and the effect of the outputs produced by UNDP projects, programmes, policy advice and dialogue, advocacy and brokering/coordination. Through the new framework, senior country office and programme managers are being asked to actively apply the information gained through monitoring and evaluation to improve strategies, programmes and performance through informed decision-making.

18. Outcome evaluations are unique in the way that they are utilized and the real-time information that they provide to guide decision-making. They can be, for example, forward-looking, strategy-setting exercises conducted early on in the programme period. They can serve as mid-course adjustments to the organization's approach to the outcome or they can provide a look back at how the outcome changed and how UNDP played a role in that change.

19. The pilot testing of outcome evaluations in China and Sudan revealed a number of important lessons, including that the overall approach to outcome evaluation is valid. While UNDP staff and counterparts understand the rationale of outcome evaluation, there is a demonstrated need to sensitize staff to the methodology and tools of both outcome evaluation and monitoring and to indicate how these new approaches can improve performance. Pilot testing also identified a number of challenges associated with the new approach of evaluating outcomes: lack of information — baseline and periodic; retrofitting between the "new" strategic results framework (SRF) outcomes and the "old" statements about results; and attribution between UNDP efforts and change in the outcome.

B. Strengthening substantive accountability

20. Previous reports stated that elements of a substantive accountability system were being worked on and that the overall system was not yet in place. The reporting period of July 2001 to June 2002 saw major progress in this area. The system in place emphasizes learning and sharing of lessons in real time so that decision-making is based on empirical evidence and new programmes take into account what has worked and why. The system focuses on accountability for learning lessons, both at the organizational and unit level.

21. The key elements of the system now in place consist of: (a) outcome evaluations, which emphasize real-time information and knowledge; (b) the evaluation plan and tracking system, which monitor not only when evaluations are carried out but also what country offices and programme units do with evaluation

findings and recommendations and which provide a platform for the organization to learn from other units conducting similar evaluations; (c) assessment of development results at the country level according to an established methodology developed by the Evaluation Office before preparing new country programmes and addressing the issue of quality assurance in a limited number of countries; and (d) the development effectiveness report, which provides empirical evidence on performance at a macro-level.

22. Based on the new monitoring and evaluation guidelines, the number of evaluation plans received is 108 (out of expected 122), a significant improvement compared to earlier submissions. The evaluation plans indicate a total of 264 outcome evaluations to be conducted between 2002 and 2006. Evaluative compliance and its measurement have been revamped to ensure that evaluative information is available in real time, in start-up situations when operations are under way and when operations are nearing an end. In this way, lessons should feed into decision-making and improved practices on achieving results. Compliance measurement is now based on outcome evaluations — specifically the number of outcome evaluations that a country office commits to undertake during a given country programming period. Country offices and relevant programme units are required to submit an evaluation plan addressing the outcomes to be evaluated, the timing and the resources allocated to the outcome. As mentioned earlier, these offices undertake outcome evaluations at different intervals of the programming period rather than at the very end — enabling lessons to be fed into ongoing programmes. Linked to the compliance system is the introduction of the new tracking plan that will enable country offices to record recommendations from evaluations and monitor the progress of implementing those recommendations. This again reinforces the move towards holding managers accountable to lessons-learning.

C. Knowledge and learning

23. The knowledge management strategy currently under preparation in UNDP is expected to be adopted in 2002. A number of initiatives have focused on strengthening the existing communities of practice and subregional resource facility (SURF) knowledge networks, improving links between country offices and headquarters units and ways of disseminating knowledge on UNDP practice areas to country offices and programme countries alike. As the enterprise resource planning (ERP) and UNDP portal initiatives show, equipping the organization to perform better and serve the programme countries more effectively in its global advocacy role has been at the core of this strategy. The focus is on strengthening information technology connectivity and web-based knowledge networks and platforms within and between headquarters units, country offices and other development partners.

24. Clearly, the evaluation function has a critical role in promoting knowledge and learning and is at the heart of any organization's knowledge management strategy. It draws trends and patterns from lessons learned and the empirical evidence that evaluations provide. Accordingly, the Evaluation Office is working on a knowledge management approach, as an integral part of the organization-wide strategy, in order to fuse more genuinely the lessons learned from empirical evidence and the internalization of this knowledge and its application at the programme level. A strategy that is geared towards closing the gap between what is learned through

evaluations and how this translates into informed action and practice and development effectiveness will be at the heart of this strategy and its operationalization. As the sections below show, the pillars are essentially in place. What is required is the operationalization of the vision and the integration of the knowledge derived from evaluations into organizational practices and policy decisions.

25. *Central evaluation database (CEDAB).* The redesigning of CEDAB has focused on three main areas: (a) creating a new platform that is user-friendly, easily accessible to country offices and fully aligned with the new UNDP portal and ERP architecture; (b) establishing a new system that captures data and information from the new monitoring and evaluation tools, such as outcome evaluations and the tracking system, in a way that fosters real-time and interactive exchange of knowledge and information between headquarters units and country offices; and (c) turning the existing database on past project evaluations into a web-based, real-time knowledge and information exchange system that is organized to enhance learning on UNDP practice areas and strengthen its strategic role on policy advice and global advocacy for sustainable development. The ultimate objective has been to promote connectivity and links between UNDP and the country offices and between UNDP and other development partners' knowledge nodes, for example, that of the World Bank, other United Nations organizations and global development networks. This work, which will run in parallel with and take into account the ERP project, is expected to be completed by 2003.

26. *Communities of practice.* During the period under review, the Evaluation Office assessed the functioning of its evaluation network, EVALNET, with a view to aligning its role and functions more closely with the organization's knowledge management strategy. Based on the recommendations of network members and some country offices, the EVALNET will now become a community of practice on monitoring and evaluation. As a community of practice, the EVALNET will be able to focus more not just on RBM matters but also on how to introduce evaluative evidence into UNDP learning networks and other communities of practice, particularly those on UNDP core practice areas.

27. *Search engine.* Pilot testing has been conducted on a search engine empowering a web-based information exchange system to provide online access to empirical evidence from UNDP and other international bodies such as the World Bank and the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD/DAC). The objective is to build a single platform through which empirical evidence across organizations could be accessed. The results from the pilot testing showed that such a system would be of great value to the organization's knowledge management but it would require a robust network infrastructure and powerful search engine to host it. Work is under way with the UNDP portal team to develop a system that could host such a search engine.

28. *Packaging lessons learned.* Over the first quarter of 2002, the Evaluation Office *Essentials* publication addressed issues in priority practice area such as HIV/AIDS, democratic governance (specifically human rights) and partnerships for local governance. The Evaluation Office is currently planning to work on national women's machineries and trade in small arms in post-conflict countries in partnership with the United Nations Development Fund for Women (UNIFEM) and the Bureau for Crisis Prevention and Recovery (BCPR).

29. Applying lessons from the beginning when programming starts is critical for ensuring that knowledge is driving decision-making. It is with this perspective that two lessons-learning workshops were organized in December 2001 and February 2002 on Afghanistan in an effort to compile a broad base of knowledge that would help with the country's reconstruction process. The specific aim was to apply relevant lessons learned from previous experiences in post-conflict countries to current UNDP strategies, policies and operations in Afghanistan. The workshops were significant because they drew on the rich experience that UNDP has in crisis and post-conflict situations, such as in East Timor and Mozambique, and provided a basis for applying the relevant lessons learned in the Afghan context. Of significance is the fact that lessons-learning was being applied in real time rather than post-mortem.

D. Partnerships

30. With the introduction of RBM and the focus on development outcomes, one of the major lessons learned for UNDP is that for development to be effective, partners are required to make that dynamic change happen. In this context, global goals and specifically the MDGs become key opportunities because they represent a shared agenda with broad agreement on desirable development outcomes, which also sets the stage for shared accountability. Making a difference in people's lives requires working together — even with abundant resources, no single agency can individually influence development effectiveness.

31. Following the external review of the Inter-Agency Working Group on Evaluation (IAWG), presented to the Executive Board at its second regular session 2001 in the annual report of the Administrator on Evaluation 2000 (DP/2001/26), this report highlights the initial steps being taken at the United Nations level. The IAWG, chaired by UNDP, is being transformed from annual meeting to a work-plan driven process with different organizations acting as leaders in important areas, such as setting evaluation standards for the United Nations. At the same time, it is also recognized that much effort is required to change the current uneven status of and demand for evaluation in United Nations organizations. The emphasis on evaluation in the Economic and Social Council discussion of the triennial comprehensive policy review of operational activities for development (E/1998/48) was most supportive. In light of Economic and Social Council recommendations, discussions have been initiated with UNDP associated funds and programmes in the following three areas: synergy, joint lessons-learning and strengthening of the evaluation function.

32. In response to the request of the General Assembly that United Nations funds, programmes and specialized agencies submit to the substantive session of the Economic and Social Council in 2002 a programme of work for harmonization and simplification, the evaluation offices of the funds, programmes and specialized agencies have undertaken specific proposals for reducing transaction costs by developing common formats for monitoring and evaluation plans and standard reporting formats for donor reports.

33. The sharing of lessons and methodologies, however, is of value if it ultimately responds to the clients and has a national capacity-building purpose. The creation of the International Development Evaluation Association (IDEAS) represents an

important step forward. Initiated in partnership with the World Bank, it is potentially a key effort to strengthen evaluative capacities in the developing world so that assessment of development performance becomes home-grown and a shared task. Designed to promote transparency and accountability, it will be formally launched in September 2002. The event will mark the formal organization of IDEAS as a global association committed to promoting evaluation capacity-development (ECD) in developing countries and countries in transition. The programme will include a symposium on development effectiveness, its implications for ECD and workshops on monitoring and evaluation issues emerging from country experiences, on establishing monitoring and evaluation systems in developing countries and on identifying new results-based methodologies for evaluations, such as outcome evaluations.

II. Part two. Key corporate and country evaluations

34. For the reporting period of July 2001 to June 2002, covered by the present report, the corporate-level programme of strategic and thematic evaluations managed by the Evaluation Office included evaluation of post-conflict situations; decentralization and local governance; and micro-macro linkages. These evaluations provide empirically based findings to help inform corporate policy and strategy on vital corporate issues within the context of organizational learning, as was already evidenced with the Afghanistan workshops. The evaluation work of the UNDP associated funds and programmes examined below is also a key contribution to the organization's body of empirical evidence.

A. UNDP crisis and post-conflict evaluation

35. It is often stressed that the flexibility of UNDP is a crucial prerequisite for successful post-conflict assistance programmes. What such "flexibility" actually entails, however, has never been defined on the basis of a systematic empirical analysis that draws on the wealth of UNDP experience in crisis and post-conflict situations. During the first quarter of 2002, an eight-country evaluation was undertaken involving extensive desk research and field-based interviews in El Salvador, Fiji-Bougainville, former Yugoslav Republic of Macedonia, Haiti. Kosovo, Lebanon, Mozambique and Rwanda. The exercise, nearing its final stage of drafting at the time of writing, has documented UNDP operational and managerial responses to changing circumstances and conditions during crisis and post-conflict programme implementation.

36. The final report will serve as an inventory of lessons learned and best practices that can help programme managers to respond effectively to the intrinsic uncertainties of post-conflict situations. At the very least, the final report should expedite the learning process for country office staff who work in crisis and post-conflict situations. Instead of having to learn about flexibility on their own, they will have access to the documented experiences of their peers in other country offices.

37. In drawing on experience in El Salvador, the evaluation refers to the capacity of country offices to reorient their programmes substantively and launch quick responses with donor support. Several mechanisms or approaches have proven particularly useful in quickly putting to use donor funding that becomes available

immediately after the onset of a crisis by integrating additional components into existing programmes. In Lebanon, UNDP demonstrated flexible responses to the challenge of external insecurity in a number of ways. In particular, the evaluation highlights the exclusive reliance on Lebanese nationals in the programme in southern Lebanon, which reduced security risks and created cooperative links with the United Nations Interim Force in Lebanon (UNIFIL), giving staff access to the south. The responses also included well-targeted income-generation projects involving local farmers who are more willing to accept investment risks than outside investors. Staff availability and mobilization of people to countries in difficult situations was another key finding that strongly supported the capacity of UNDP to respond. One example of this is the willingness of BCPR to second a programme manager to the South Lebanon programme. Similarly, staff availability was also identified as significant in the experience of East Timor.

B. Decentralization and local governance

38. In 1998, the Government of Denmark and UNDP embarked on a joint endeavour known as the Danish Trust Fund, or DTF, to improve UNDP capacity-development assistance for human development. DTF sought to develop the organization's capacity to promote good governance in two specific areas: effective and transparent management of public resources for human development and enabling environments for people's participation and choice. UNDP launched DTF in five countries — Kyrgyzstan, Malawi, Nicaragua, Viet Nam and Zimbabwe — each of which represented a different typology.

39. In September 2001, UNDP organized an independent evaluation of DTF that underscored the fact that capacity-development does not take place in a void and therefore needs appropriate methodologies and approaches adapted to local situations and needs. In designing capacity-development assistance initiatives, it is important to conduct rigorous appraisal of the institutional context, alternative approaches and risk analysis. This means investing more time and effort in project design and preparation and becoming less preoccupied with more narrow concerns, such as rates of project expenditure or physical delivery of inputs. The evaluation also found that while highly desirable in and of themselves, DTF objectives cannot be de-linked from human development goals and, specifically, from poverty alleviation. For DTF objectives to be achieved and sustained, adequate resources must be available for poverty reduction efforts to proceed in parallel. Stated differently, good governance practices, if they are to take root in developing countries, must be associated with measurable improvements in people's lives.

40. The specific recommendations of the DTF evaluation will be internalized by each of the country programmes through the last phase of implementation. DTF is expected to close in June 2002, after which a global lessons-learning exchange is planned.

C. Micro-macro linkages

41. One of the findings from the country reviews, the DER and the ROAR 2001 is the need to strengthen further the link between upstream policy advice and downstream activities. While at the ground level the project and performance data

may demonstrate successful results, at the national level these results are not necessarily translated into policy decisions. The Evaluation Office is consequently undertaking an assessment of the micro-macro linkages in the Asian region. An introductory meeting held in Delhi in February 2002 culled lessons learned in this regard from the various poverty alleviation programmes, including the South Asia Poverty Alleviation Programme (SAPAP). A framework for evaluating the issue has been prepared and shared with national consultants in the five countries where the assessment is being conducted. The assessment will focus on the experience gained on the issue of micro-macro linkages under the SAPAP programme, which represents a significant subregional initiative towards poverty alleviation through social mobilization of the rural poor. The regional evaluation will be useful for future country programming and regional initiatives.

D. Country evaluations: India, Fiji and Sudan

42. The country evaluations carried out during this reporting period were undertaken based on the assessment of development results concept, which focuses on the outcomes as expressed in the SRF and their impacts. The exercise aims to explore linkages between programmes and the overarching objective of reducing poverty and achieving the MDGs. It looks at the range and quality of development partnerships and their contribution to outcomes. Its emphasis is more on learning lessons equally from successes and failures rather than auditing performance.

Fiji

The country office in Fiji is in many ways unique. It is a multi-country office with responsibility for 10 small widely dispersed islands spread over a vast geographical area (30 million square kilometres). The results of the Fiji cluster review have been mixed and varied, showing outstanding innovative outcomes in some areas, notably in poverty reduction in Vanuatu and in governance and conflict management in the Solomon Islands and Fiji, with a scattered unfocused approach in others. The evidence points to the challenges of managing credible and coherent programmes in 10 different countries from a distance and the need for streamlining and selective targeting to realize economies of scale and added value. In the aftermath of the Solomon Islands and Fiji conflicts, UNDP demonstrated a unique comparative advantage (flexibility, impartiality and multilateralism) in conflict management and peace-building, which was commended by all Governments, the United Nations and donors.

43. India, the world's largest democracy, is also the largest recipient of UNDP core resources and largest non-DAC contributor to UNDP. The financial contribution of UNDP to India, however, is meagre. With the sudden increase in its rate of economic growth between 1994 and 1997, India became one of the 10 fastest-growing economies in the world. It has made impressive progress in human

development, yet it is home to nearly 260 million of the world's poor. It offers a genuine opportunity to learn about what works, what does not and why.

44. The review found that UNDP enjoys a unique image of neutrality and impartiality and, despite its modest financial contribution, it is the "currency of ideas" that UNDP brings to India that is important. The country office has a perceptive understanding of the local context and has sensitively calibrated the global goals of UNDP at the country level. Some key lessons will be addressed in the next programme. It was found, for example, that the multiplicity of objectives diffused the focus of the programme and that there is a need to ensure convergence around a few themes and geographical areas. Greater emphasis should be given to indirect interventions identified in collaboration with the Government as opposed to direct interventions. Alliances need to be built among partners at various levels — national, state, local and community in order to ensure sustainability and replicability. Strengthening decentralization and capacity-building for local-level planning and execution were identified as key areas for future intervention.

Sudan

The UNDP programme in Sudan has been compartmentalized and its results dispersed. The flagship area development scheme (ADS) and area rehabilitation scheme (ARS) (80 per cent of the UNDP programme) represent a viable model that could be used in peace-building initiatives. The sustainability of ADS/ARS results and their cost-effectiveness nevertheless remain deep concerns. The programmes established participatory development mechanisms centred on community-based organizations — a groundbreaking development in Sudan that has translated into real improvements in people's lives. Yet the Government has not replicated the ADS/ARS and the absence of recurrent government budgets at the local level have diverted finances away from village revolving funds to cover basic social services, thereby reducing the viability of the funds themselves.

The country review has provided the rationale and justification for the country office to make a break with the past and develop a more coherent and relevant country programme for the next programming period. Specifically, a window of opportunity for peace has opened in the country's civil war and UNDP is uniquely placed to bridge the gap from humanitarian assistance to development. In the past year, UNDP nascent peace-building activities have shown considerable potential in terms of strategic positioning and relevance. This area has also demonstrated potential in terms of resource mobilization.

E. Evaluations by UNDP associated funds and programmes

45. Following discussion to increase the involvement of the funds and programmes more closely in the application of RBM, a meeting was held in April 2002 with the evaluation functions of the funds and programmes to ensure synergy, joint lessons

learned and strengthening of the evaluation function in line with the recommendations of the Economic and Social Council.

United Nations Capital Development Fund

46. For the United Nations Capital Development Fund (UNCDF), 16 evaluations were conducted, covering local governance (5), microfinance (3), eco-development (3) and a range of infrastructure (roads and housing) projects (5). Four out of the five evaluations conducted for infrastructure projects were final evaluations, indicating the continued culling of blueprint infrastructure projects from the UNCDF portfolio, in keeping with Executive Board decision 99/22 to focus on the niche areas of UNCDF: local governance and microfinance.

47. The review of these evaluations indicates that in terms of delivery of infrastructure, provision of microfinance services and institution-building, the evaluated projects present a fairly strong portfolio. In terms of institution-building, the local governance projects evaluated demonstrate, for the most part, a long-term perspective in their strategic approach to supporting decentralization, though one project does not demonstrate as effective an active integration with the national planning systems. UNCDF has apparently learned from its past experiences to ensure national integration and has recognized that it is a necessary strategic component. Another area that needs continued attention is the establishment of systems that ensure the maintenance, and hence, sustainability of microprojects. An area of weakness in institution-building is that plans to attain institutional goals are consistently overambitious, resulting in project extensions and, in some cases, less-than-sustainable organizations at project completion.

United Nations Development Fund for Women

48. In 2001, the United Nations Development Fund for Women (UNIFEM) was involved in 11 evaluation and assessment activities, six of which have been completed. Results of the assessment of the gender adviser programme of UNIFEM and the gender specialist initiative of UNDP, UNIFEM and the United Nations Volunteers (UNV) are being used as the basis for redesigning programmes that provide gender expertise to the resident coordinator system. The cross-regional assessment that UNIFEM is undertaking on its work to end violence against women is being used as the basis for a larger and refocused programme formulated for Latin America and the Caribbean, with an emphasis on strengthening partnerships with United Nations organizations, non-governmental organizations and Governments. UNIFEM is likewise instituting new procedures to share learning from evaluations more widely. Using its Internet and Intranet sites, UNIFEM will be hosting online discussion with staff and partners about evaluation findings on ending violence against women.

United Nations Volunteers

49. During the reporting period, UNV conducted a total of 14 evaluations/reviews, including eight project evaluations, a country review, a regional review and four strategic reviews. These included a desk review of UNV involvement in environment issues since the United Nations Conference on Environment and Development; a joint evaluation with the Joint United Nations Programme on HIV/AIDS (UNAIDS) of UNV involvement in projects in support of Greater

Involvement of People Living with HIV/AIDS in Malawi and Zambia; a review of the experience of UNV with multisectoral projects; and an evaluation of the joint UNDP/UNIFEM/UNV project on gender-mainstreaming. Both project and strategic evaluation reports recommend that project and programme design be strengthened in order to enhance results and sustainability further. The systematic briefing and orientation of volunteers and consistent emphasis on the volunteerism aspect of the volunteer assignment are other areas for continued attention. The evaluations also confirmed the key strength that the combination of grass-roots focus on promoting volunteerism and the skills and attitudes of its volunteers gives UNV.

50. More specifically, the evaluation of the joint project with UNDP and UNIFEM on gender-mainstreaming in 21 countries in all regions showed that, in most cases, UNV gender specialists had contributed significantly to gender-mainstreaming in UNDP and United Nations activities. The studies also found UNV involvement to be highly relevant, particularly in the area of HIV/AIDS, where UNV is seen to be breaking new ground.

Global Environment Facility

51. Between July 2001 and June 2002 the Global Environment Facility (GEF) of UNDP completed its annual project implementation review (PIR) and eight project evaluations and has participated in over nine broader thematic studies and evaluations conducted by the GEF secretariat. These include the development of programme impact indicators, the review of financial mechanisms for sustainability and a participatory evaluation of the social impacts of GEF projects. More than 85 per cent of the projects have been rated satisfactory or highly satisfactory on impact achievement, according to the 2001 PIR review.

52. Key findings, recommendations and emerging actions can be summarized as follows. UNDP/GEF-funded projects produce catalytic and replicable effects that surpass project-specific goals; greater awareness about global environmental issues (at the local and national level); changed attitudes; the establishment of new policies and regulations; and the replication of successful project approaches. The interaction of UNDP/GEF projects with other organizations also ensures that all partners benefit from the synergy dynamics and the complementarity of follow-up projects. As a result of this recommendation, UNDP/GEF is piloting the creation of learning portfolios as a mechanism for projects that share similar approaches and strategies to exchange their experience.

Montreal Protocol

53. Between July 2001 and June 2002, UNDP Montreal Protocol projects were included in the evaluations undertaken under the leadership of the Senior Monitoring and Evaluation Officer of the Multilateral Fund and within the framework of an established and approved intergovernmental monitoring and evaluation system. A sectoral evaluation on solvent projects was completed along with desk studies on projects in the aerosol, mobile air-conditioning (MAC) sectors and on clearinghouse functions.

54. From the recommendations and lessons learned from the evaluation reports, specific changes and improvements were made to the Multilateral Fund policies, procedures, guidelines and criteria for increased accountability of all parties

involved and to ensure sustainability of phase out of ozone-depleting substances in the countries.

Technical cooperation among developing countries

55. In 2001, the Special Unit for Technical Cooperation among Developing Countries (TCDC) conducted two evaluations of its programmes and assessed global progress on South-South cooperation. Resulting from the evaluative exercises is the realization that policy and institutional support for South-South cooperation has increased and the majority of South-South programmes' focus on building requisite systems and skills for South countries to integrate into the global economy. New agencies have emerged in the South to coordinate and fund South-South cooperation better, especially in mid-income countries. Evaluations also point to the need for the Special Unit to strengthen its network of focal points around the world and to increase policy guidance to country offices and bureaus and units at headquarters.

Future directions

56. Meeting development changes, especially those enshrined in the MDGs, requires a coordinated drive to produce results, in close partnership with key stakeholders and donors. It requires, in particular, transparent and objective assessments of development performance. In this context, evaluation becomes indispensable. By asking difficult, at times awkward questions and by assessing what works and why, evaluation has an important role to play in the new UNDP. The renewed emphasis on development effectiveness in light of ICFD in turn raises additional challenges for the evaluation function in general and the Evaluation Office in particular. This growing emphasis on evaluation is brought out by recent Economic and Social Council resolutions, in particular 53/192 and 56/201. As these challenges are taken up, it is also increasingly clear that the resource base supporting the function in UNDP may have to be commensurately adjusted. Four areas for future direction are highlighted:

(a) *Reinforcing development effectiveness.* ICFD put issues of effectiveness at the heart of the development dialogue between donors and partner countries. The conference identified the importance of policy environments and correspondingly the need for better measurement criteria to track and assess development performance, the particular challenges faced by capacity deficit countries that may not be able to meet these results criteria and the importance of shared accountability between donors and partner countries in meeting the MDG goals. The next DER will seek to situate UNDP performance in light of these challenges.

(b) *Deepening the managing-for-results culture in UNDP.* The ROAR, DER and key evaluations have brought out the considerable work that is still required to drive RBM to the heart of the organization. The decision by the Evaluation Office, the Operations Support Group and the Bureau of Management to pursue a joint approach to training and integration of individual processes is an important step in the effort needed to respond to this challenge.

(c) *Continuing the commitment to lessons-learning.* UNDP will build on the progress made in the reporting year by producing evaluations and packaging lessons-learned in a way that elicits decision makers' response and by supporting the demand for such information that has increased partly as a result of the introduction of RBM in UNDP.

(d) *Increasing the emphasis on the promotion of capacity-development for evaluation*. Progress in concept and methodology is ultimately of value only if it is anchored in national needs and aspirations and has a national capacity-building purpose. The launch of IDEAS requires support at the country level so that national assessment capacities are built up and serve as important building blocks in the global efforts to assess progress towards the MDGs.

Annex

Evaluation compliance based on the new monitoring and evaluation framework

57. The new compliance and compliance measurement system was redesigned to ensure that evaluative information is available in real time, in start-up situations and when operations are under way.

58. Compliance measurement under the new monitoring and evaluation framework is based on outcome evaluations — specifically, the number of outcome evaluations that a country office commits to undertake during a given country programming period. The country offices are required to submit an evaluation plan addressing the outcomes to be evaluated, the timing and the resources allocated to the outcome. As mentioned earlier, country offices undertake outcome evaluations at different intervals of the programming period rather than at the very end — enabling lessons to be fed into ongoing programmes.

59. Outcome evaluations are unique in the way they are utilized and the real-time information that they provide to guide decision-making. They can, for example, be forward-looking, conducted early on in UNDP programming in the outcome and undertaken for the purpose of strategy-setting exercises. They can serve as mid-course adjustments to the approach of UNDP to the outcome. Or they can provide a look back at how the outcome changed and how UNDP played a role in that change.

60. The shift to outcome-evaluation (OCE) planning signals a major step in partnering and learning around results, providing information to UNDP that is both relevant and current. The new system will facilitate the exchange of information between country offices, enabling them to learn from mutual experience. It will encourage country offices within a region to explore the possibility of collaborating to conduct evaluations of common outcomes, thereby enriching the resultant data. By providing details of the areas in which evaluations will be conducted, OCE planning will also facilitate the processes of corporate planning and lessons-learning.

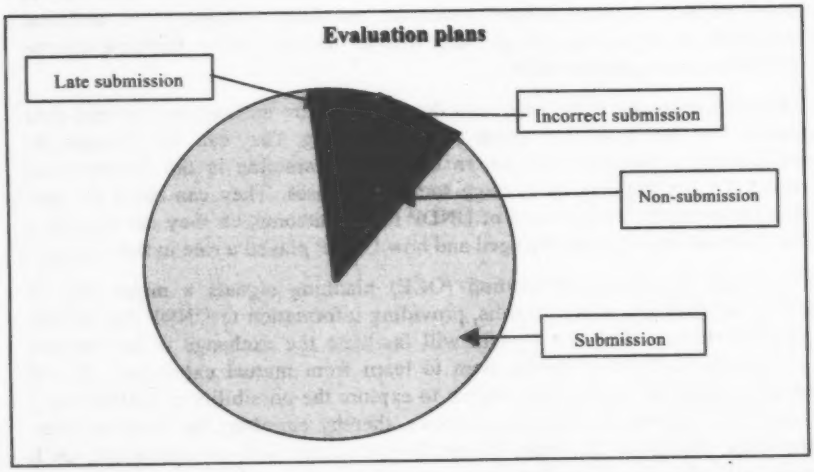
61. Linked to the compliance system is the introduction of the new tracking plan that will enable country offices to monitor the progress of implementing evaluation recommendations and help record and analyse lessons learned. This again reinforces the move towards substantive accountability in holding managers accountable to lessons-learning.

62. Since 2002 is the first year in which evaluations based on the outcome methodology will be conducted, few outcome evaluation reports are likely to be submitted given the lead time required to conduct evaluations. Under these circumstances, it was decided that compliance for 2002 would be measured on the basis of submission of evaluation plans.

Submission of evaluation plans

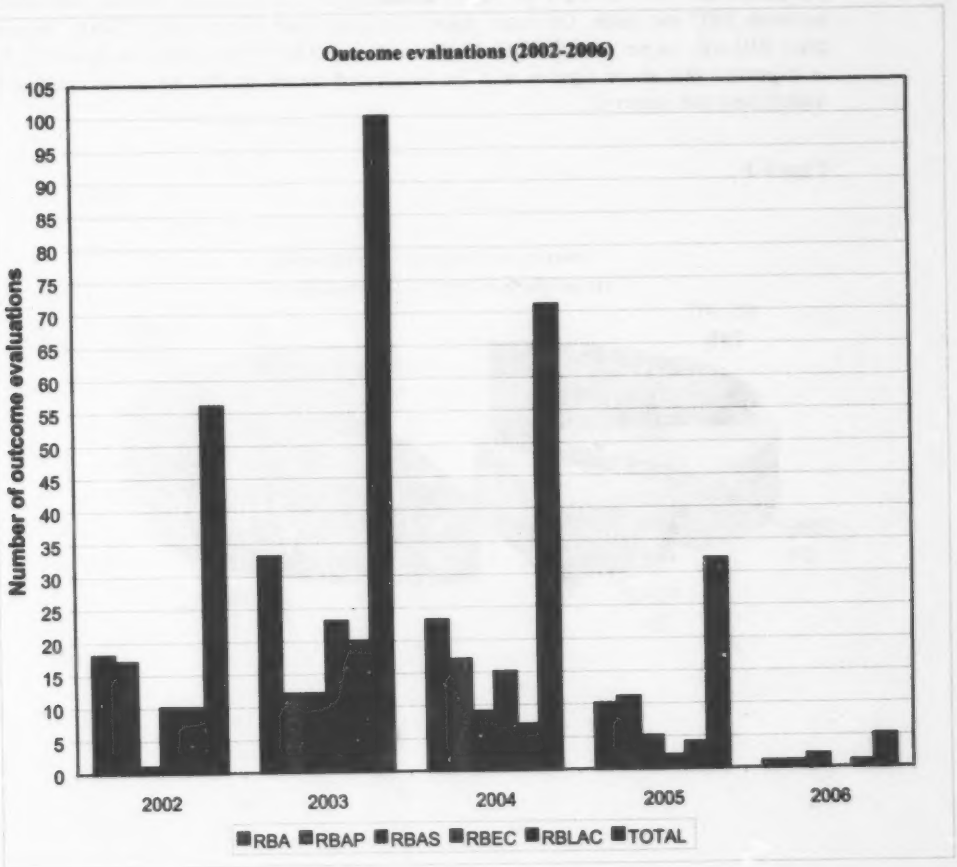
63. The total number of evaluation plans received for 2002 is 108, resulting in an overall compliance rate of 89 per cent. Eighteen per cent of the plans submitted were not in line with the revised monitoring and evaluation guidelines and 18 per cent were late submissions (see figure 1). The Regional Bureau for Europe and the Commonwealth of Independent States (RBEC) has submitted the highest percentage of evaluation plans (96 per cent), followed by the Regional Bureau for Asia and the Pacific (RBAP) (95 per cent), the Regional Bureau for Arab States (RBAS) (86 per cent), the Regional Bureau for Africa (RBA) (85 per cent) and the Regional Bureau for Latin America and the Caribbean (RBLAC) (81 per cent).

Figure 1



64. Evaluation plans cover the period of the programming period in a given country. The submitted evaluation plans cover the period 2002 to 2006. A total of 264 outcome evaluations have been planned over this period, with 65 per cent scheduled to be conducted in 2003 and 2004 (100 and 71 OCEs respectively) (see figure 2). This trend could be a result of the fact that these years constitute the middle or the end of programming periods for over 70 per cent of countries. Country offices may therefore consider it a more appropriate time for them to conduct outcome evaluations. Information from evaluations at this point in the programming period would help countries to make adjustments or to plan for the next programming period. In 2003, RBA has scheduled the largest number of outcome evaluations (33), followed by RBEC (23). For 2002, it is expected that 56 outcome evaluations will be conducted with the following breakdown by region: RBA — 18, RBAP — 17, RBEC — 10, RBAS — 1 and RBLAC — 10.

Figure 2



Goals

65. An SRF goal-wise analysis of evaluation plans indicates that 43 per cent of evaluations planned fall under the goal of governance, reflecting the organization's significant effort in this critical field. This is followed by 33 per cent of outcome evaluations under poverty and 15 per cent under environment. A few outcome evaluations have been scheduled under the goals of gender (2 per cent), special development situations (6 per cent) and support to the United Nations (1 per cent).

Resources

66. The total amount of resources planned to be evaluated is $1,637 million, which represents the total amount of funds allocated to the outcomes to be evaluated between 2002 and 2006. Of these, RBA resources form 28 per cent; RBAP, 26 per cent; RBLAC, 24 per cent; RBEC, 13 per cent; and RBA, 9 per cent (see figure 3). It is expected that these figures will be readjusted based on the actual evaluations undertaken and reported.

Figure 3